NEAL R. GROSS
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(10:00 a.m.)

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Today we begin the direct case in Phase II of the 1983 Cable Royalty Distribution Proceeding, Docket

CHAIRMAN RAY: Good morning.

No. 84-1-83:CD.

Before we start with MPAA's direct case, I will read for the record the Tribunal's rulings for Phase II. Number One: The procedures that were adopted and followed by the Tribunal and the parties in Phase I shall apply to Phase II, except there will not be an oral summary at the close of Phase II.

Number Two: Multi-Media has asked for a change in the hearing schedule, it has asked to put on its direct and rebuttal on Tuesday, March the 11th. The Tribunal agrees to the change in schedule, so long as NAB agrees with the date change, and that Multi-Media supply the other parties with a written summary of its rebuttal testimony in advance.

The CRT directs all other parties to exchange written rebuttal cases by Monday, March 17th, 1986.

Number Three: The Motion for Disclosure filed by Multi-Media is denied. Requests for underlying documentation which are not honored by the party may be required by the Tribunal in its discretion. However, following our

rationale stated in our Order dated February 12th, 1986, the Tribunal in its discretion will not order the furnishing of underlying documents in this instance.

Number Four: The Motion to Dismiss Claims filed by MPAA is granted in part, and denied in part. It is granted for WDBJ and WTAJ; it is denied for WCVB and KNXT, unless MPAA can furnish for the record a written agreement or signed statement with broadcast stations WCVB and KNXT showing that they intended to be represented by MPAA for all syndicated programs.

As a follow-up to that decision, Number Five:

NAB's Petition for Reconsideration of the Tribunal's

decision with regard to MPAA's Motion to Dismiss Claims

is granted. The Tribunal will announce a decision before
the close of the MPAA direct case.

Number Six: Multi-Media's Motion to Strike

Program Suppliers' Phase II, Exhibits 5 and 6, and all

statements in Allen Cooper's related testimony to these
exhibits is denied.

Mr. Stewart, you have a statement?
MR. STEWART: Yes, sir.

With respect to our Petition for Reconsideration, which we filed yesterday, subsequently we learned that MPAA had contacted both CBS, as the licensee of KNXT, and Metromedia, as the licensee of WCVB, in an attempt to get

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a written statement from them that MPAA was authorized to represent them with respect to all of their syndicated programs.

I am told that CBS declined to change its prior authorization of us, with respect to those programs on KNXT. However, events overtook us yesterday, 20th Century-Fox, or the Fox Corporation consummated its acquisition of Metro-Media and subsequent to that apparently, Metro-Media has advised us, at 6:30 last night, that it no longer authorizes us to represent it with respect to the seven WCVB programs, and instead has authorized MPAA to represent it with respect to those programs.

As a result, I wanted to say for the record that the WCVB portion of our Petition for Reconsideration can be considered withdrawn. And we will also make the necessary amendments to our direct case at the time that we put our direct case on.

CHAIRMAN RAY: Before Mr. Lane responds, thank
you. I will say that the Tribunal, the CRT, subsequent
to our decision in Number Four, where we partly granted and
partly denied, we have discovered that WDBJ and WTAJ did
file claims.

Mr. Lane.

) MR. LANE: Mr. Chairman, I have nothing to add.

I do have a copy of -- telecopy of the letter from